Remarks:

Applicants reply to the Office Action mailed June 20, 2007 within two months. Thus, Applicants request an Advisory Action, if necessary.

Applicants sincerely thank Supervisory Examiner Andrew Fisher for his very helpful insights and suggestions for claim amendments, during the conference calls on July 3, 2007 and July 12, 2007.

Applicants strongly assert that additional searching should not be necessary, and Applicants request entry and full consideration of the proposed amendments. In particular, Applicants respectfully assert that ample searching has already been performed on all aspects of the invention, regardless of the current proposed amendments to the claims. Moreover, over 28 references were disclosed in this case, and 15 of those references were specifically cited against this application by the Examiner in 12 different Office Actions. As such, the Examiner should have already found and analyzed all related references which disclose investment, reward or savings programs.

Claims 1-12 were pending in the application and claims 1-12 were rejected by the Examiner. Support for the amendments may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by these amendments. Reconsideration is respectfully requested.

As suggested by Supervisory Examiner Andrew Fisher, Applicants amend the Specification to disclose the specific claim language. Applicants also amend the system claims to more clearly differentiate the main "administrative system" from the other sub-systems set forth in the system claims (e.g., payment hierarchy system, investment broker system, etc). Applicants further amend the system claims to remove the "configured to" language.

The Examiner rejects claims 1-10 under 35 U.S.C. § 103(a) as being unpatentable over Fernandez-Homann, U.S. Patent No. 5,787,404 ("Fernandez") in view of Lupien, et al., U.S. Patent No. 5,101,353 ("Lupien") or Wallman, U.S. Patent No. 6,601,044 ("Wallman"). Applicants respectfully traverse this rejection.

Supervisory Examiner Andrew Fisher stated that his main concern with Fernandez is that, around column 3, line 11, Fernandez discloses that the issuer may send a bill to the consumer to charge the consumer for the issuer funds which were previously invested by the issuer on behalf of the consumer. The consumer would then remit funds to the issuer to reimburse the issuer for the issuer's **loan** of issuer funds.

Applicant asserts that the Fernandez system sends the consumer a separate bill which requests additional funds from the consumer to reimburse the issuer for the issuer's **loan** of issuer funds to the consumer in which the issuer used the issuer funds to conduct a previous investment on behalf of the

consumer. As such, the consumer is simply sending in funds to pay off the issuer loan which is common in the art with mortgage companies, banks, etc. Significantly, the consumer's remittance is a single purpose remittance to be deposited with the issuer and such reimbursement funds are NOT subsequently used by the issuer. Moreover, in such a reimbursement system, the consumer is still not submitting a combined remittance because the consumer is only sending in funds which represent a reimbursement amount for the loan, and the funds do not include funds to satisfy previously incurred charge card debts.

The presently claimed invention is significantly different in that **NO LOAN** is provided to the consumer for investment purposes. Moreover, a portion of the consumer's combined remittance is used as **NEW** investment funds, wherein such consumer investment funds were not previously invested by the consumer or the issuer. **Because the funds in the presently claimed invention are consumer funds, new funds and not previously invested funds, such new investment funds were not part of a loan from the issuer.**

The use of consumer funds, new funds and not previously invested funds in the manner set forth in the presently claimed invention provides significant advantages and satisfies long-felt needs in the investment world. For example, significant disadvantages exist with the Fernandez system previously investing credit card issuer funds prior to requesting reimbursement of such loans from the consumer. For example, after the credit card issuer deposits its own issuer funds into the cardholder investment account, certain investment account rules and regulations may restrict the issuer from removing the funds from the cardholder account, so the issuer may never be able to re-obtain its money if the cardholder defaults on the additional credit card payments owed to the issuer. Further, the cardholder may have already withdrawn the funds from the investment account, so the funds are no longer available to the issuer. Moreover, if the cardholder is required to pay the additional charges debited to his credit card from the investment, the cardholder may not have additional funds available to pay off merchant charges on the credit card. In contrast, in the presently claimed invention, the payment hierarchy may require that any combined remittances by the cardholder be applied FIRST to the amount owed to the charge card billing system, BEFORE applying any of the cardholder's extra remitted funds to the investment account.

As previously stated, Fernandez discloses a long-term investment fund which is funded by a credit card issuer with credit card issuer funds. As stated in various places in the Fernandez disclosure "a third party, i.e. the credit card issuer, automatically makes the required periodic payments to the investment account and bills the consumer accordingly along with the purchase charges normally

incurred by the consumer" (e.g., column 3, lines 17-21). The funding occurs on a periodic basis or when the card holder has not independently funded the account. Such credit card issuer funds are then charged to the cardholder's credit card account. If the cardholder defaults on timely payments to the credit card issuer, the credit card issuer may terminate funding the investment account, and/or funds may be transferred from the investment account back to the credit card issuer. Alternatively, the credit card issuer funds the investment account, again with credit card issuer funds, with an amount based on a percentage of the total amount of money charged by the credit card holder in a particular time period.

While the Fernandez system may charge the cardholder a fee or service charge for performing this service, such fee or service charge goes directly back to the charge card issuer and does not get deposited into the investment account.

Applicants assert that Fernandez is limited to a system wherein monetary amounts are contributed by a non-cardholder (i.e., credit card issuer). The Fernandez system requires the credit card issuer to outlay a large amount of its own credit card issuer funds to reward the cardholder by depositing the credit card issuer funds into the cardholder investment account. **In contrast, the presently claimed invention does not use ANY finance card issuer funds for deposit into the user investment account.** Rather, in the presently claimed invention, the funds deposited into the investment account are user submitted funds from a combined remittance, wherein the funds are distributed based on a payment and investment hierarchy. In particular, the presently claimed invention includes, and Fernandez does not disclose, a combined remittance of user funds, which are used to fund the user investment account.

The Fernandez system simply uses the credit card account information to establish the amount of credit card issuer funds to send to the investment account. In contrast, the presently claimed invention uniquely utilizes the remittance system of a billing system to establish a complex method of payment hierarchies and investment hierarchies to fund an investment account with user funds. Significantly, Applicants assert that the presently claimed invention goes well beyond a system that simply exchanges data between a charge card billing system and investment system.

Additionally, the Fernandez cardholder still does not submit a combined remittance which also includes extra funds for allocation to an investment product based on hierarchy rules. To highlight this difference, Applicants previously amend the claims to clarify that user funds are remitted. (e.g., "user combined remittances of user funds, wherein said combined remittances include a portion of said user funds to satisfy debts related to said previously established financial events disclosed in said periodic

statement and a portion of said user funds for at least one investment product," (emphasis added) as similarly recited in independent claims 1 and 6.

The Examiner asserts that Lupien or Wallman have been applied to "show funds allocations and rules" (Office Action, page 4). To clarify, Applicants agree that fund allocations and rules are known in investment accounts; however, such investment hierarchies in the context of, and along with, the remaining elements of the claims are not known. Moreover, Applicants assert that Lupien or Wallman are limited to management of investment data and do not include the "payment hierarchy" from a combined remittance to pay finance card payments before investment account payments, as set forth in the presently claimed invention. Applicants respectfully assert that the presently claimed invention includes a complex charge card billing system and payment infrastructure with hierarchy rules for dividing and allocating a combined remittance. The presently claimed invention requires many more steps for accepting a combined remittance, applying hierarchy rules and integrating the two complex systems (billing and investment), the combination of which is not disclosed in Lupien or Wallman.

Accordingly, neither Fernandez, Lupien, Wallman, nor any combination thereof, disclose or suggest at least "user combined remittances of user funds, wherein said combined remittances include . . . . a portion of said user funds for at least one investment product as investment funds, wherein said investment funds were not previously invested, and without said charge card billing system loaning said investment funds to said user;," and "an investment payment hierarchy system for establishing rules for distributing said user funds to said at least one investment product," (emphasis added) as similarly required by independent claims 1 and 6.

Dependent claims 2-5 and 7-10 variously depend from independent claims 1 and 6, so dependent claims 2-5 and 7-10 are patentable for at least the same reasons for differentiating the independent claims, as well as in view of their own respective features.

The Examiner next rejects claims 11-12 under 35 U.S.C. §103(a) as being unpatentable over Fernandez and Wallman or Lupien, further in view of Sandberg-Diment, U.S. Patent No. 5,826,245 ("Sandberg"). Applicants respectfully traverse this rejection.

Dependent claims 11-12 depend from independent claims 1 and 6, respectively, so dependent claims 11-12 are patentable for at least the same reasons as set forth above, as well as in view of their own respective features.

In view of the above remarks and amendments, Applicants respectfully submit that all pending claims properly set forth that which Applicants regard as its invention and are allowable over the cited

prior art. Accordingly, Applicants respectfully request allowance of the pending claims. The Examiner is invited to telephone the undersigned at the Examiner's convenience, if that would help further prosecution of the subject application. Applicants authorize and request that any fees due be charged to Deposit Account No. 19-2814.

Respectfully submitted,

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By: _____
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